Approved For Release 2006/11/15 . *** PP80B01554R003400080002-9 The Director of Central Intelligence

Washington, D. C. 20505

29 November 1978

MEMORANDUM FOR:

The Honorable W. Graham Claytor, Jr.

The Secretary of the Navy

Admiral Thomas B. Hayward, U.S. Navy

Chief of Naval Operations

SUBJECT:

China

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"In the military area, the Chinese have, in my view, singled out the U.S. Navy as the force with which they wish to initiate military cooperation. This is a preliminary thought on my part and needs more evidence. But they see our Navy as the most advanced in the world and a Navy which could help them solve their own technical problems. Cooperation on naval matters with the U.S. would represent less of a provocation to the USSR than cooperation in, say, strategic weapons or in air force matters. Also, if cooperation develops between our two navies, our Navy would be less inclined to intervene directly in any situation in the Taiwan Strait area. On the other hand, our Navy remains the key to the long-term security in the Pacific area in respect to Japan, the Philippines and is the only force which could balance the growing Soviet Far East fleet."

MORI/CDF]

STANSFIELD TURNER

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